



General Assembly

January Session, 2015

Proposed Bill No. 6539

LCO No. 1575



Referred to Committee on FINANCE, REVENUE AND
BONDING

Introduced by:
REP. FOX, 148th Dist.
(By Request)

**AN ACT CONCERNING THE DEDUCTIBILITY OF PREMIUMS PAID ON
OUT-OF-STATE BONDS.**

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

- 1 That subparagraph (B)(ix) of subdivision (20) of subsection (a) of
- 2 section 12-701 of the general statutes be amended to provide that the
- 3 income tax deduction for premiums paid on out-of-state municipal
- 4 bonds be available to all taxpayers, not just those who trade bonds as a
- 5 trade or business.

Statement of Purpose:

To modify the current laws dealing with out-of-state municipal bonds;
The deduction allows someone, who trades bonds as a business, when
calculating Connecticut adjusted gross income, to subtract amortizable
bond premiums for the taxable year on bonds whose interest is subject
to taxation in this state, but exempt from federal tax, to the extent the
premiums are not deductible in determining federal adjusted gross
income.